

Whatever Happened To Equality Of Opportunity?

David Davenport



HOOVER
INSTITUTION

STANFORD UNIVERSITY

Table of Contents

1. <i>Opportunity vs. Outcome</i>	3
2. <i>What Is “Equity”?</i>	4
3. <i>What Government Can and Can’t Do</i>	5
4. <i>Piketty and the Demand for Redistribution</i>	6
5. <i>Can Equality of Opportunity Be Saved?</i>	7
6. <i>Immigrants Keep the Dream Alive</i>	8
7. <i>Progressing Toward Greater Equality</i>	8

Whatever Happened To Equality Of Opportunity?

David Davenport, *Research Fellow Emeritus*

*This eBook is adapted from a new book, *Equality of Opportunity: A Century of Debate*, by David Davenport and Gordon Lloyd*

Americans have consistently said they believe in the principle of equality of opportunity. As the authors of a Brookings Institution study on the subject concluded: “Americans believe in opportunity. . . . They are far more interested in equal opportunity than in equal results.” These days, however, that notion is under constant challenge and even attack. Indeed, there are suggestions that it be scrapped and replaced with newer ideas such as equity or equality of outcome. Equality of opportunity is also challenged on the policy front, with proposed new economic and social plans that would move America down a very different path.

1. Opportunity vs. Outcome

The argument today seems to be that if equality of opportunity was once the goal, it is no longer enough. In the 2020 presidential campaign, vice presidential candidate Kamala Harris called for this kind of change, saying in a campaign video about equality that “we should all end up at the same place.” She argued that if two people had the same opportunity, but began from different starting points, the results would not be equal. Equality of outcomes has experienced a renewal of interest during the social justice movements of the 2020s. For example, Kent State professor of African-American history Elizabeth M. Smith-Pryor has written that equality of opportunity may have worked for whites but is a myth for blacks, calling for “equality of results” as “a more concrete response to our current yet long-standing crisis.”

There is also a lively argument about the extent to which different outcomes are necessarily unfair or created by unfairness. Economists have pointed out, for example, that much of the gap in earnings between white and black workers is explained by variables such as education, test scores and work experience. If, as labor economist Harry Holzer suggested, “differences in educational attainment and test scores together may account for most of the racial differences in earnings,” that would suggest a different policy approach from trying to equalize bottom-line incomes.

Then there are questions of fairness in a system of equality of outcomes. Equality of outcomes requires that individuals and groups of people be treated unequally, giving more to some and less to others, taking from some to give to others. Does government really belong in the business of taking money from someone who devoted his or her life to developing a particular talent or career and giving it to someone who did not make such a commitment?

Is pursuing equality of outcomes consistent with the American understanding of liberty as well as equality? Is America ready to trade in being “the land of opportunity,” still sought after by millions of immigrants, in order to pursue only equality? Should government be in the business of equalizing people’s economic or social status and could it even accomplish that if it sought to do so?

2. What Is “Equity”?

A more current debate, but one that follows similar lines of argument, concerns equity. Equity seems to be the new code word to describe the pursuit of a more just society and the new replacement for equality of opportunity as a goal. We need “equity” for people of color, for women, for transgender individuals, and others—these are the claims of the day. Some say we need it because equality of opportunity is no longer sufficient. Others say we need both equality and equity.

The increasing and current use of the term equity is puzzling because it is not clear what it means or how it may be different, if it is, from equality. The term has a history of use in finances to denote the building of capital. The first definition in the Merriam-Webster dictionary is simply “justice according to natural law or right.” Scholar Shelby Steele, reviewing its previous meaning, says the current use of the term “has no meaning.” Perhaps it derives from a sense that a new term

is needed for marketing purposes, or because the term equality hasn't really accomplished all it should.

3. What Government Can and Can't Do

At the same time we ask these fresh questions, we continue to face the question debated by the founders and Progressives about the proper role of government in equality. Conservatives argue that America is fundamentally built on individual liberty and that the proper role of government is to protect that. Liberals, on the other hand, argue that individual freedom has led to too much inequality, especially inequality of income and wealth, and that only the government has the power to step in and correct these inequalities. In some ways, the history of the past century has been one of increasing the government's role in favor of greater equality, with only occasional returns to the primacy of individual liberty promoted by the founders.

A series of initiatives has empowered the government to bring about greater equality for groups of people: senior citizens, those living in poverty, the disabled, those who cannot afford health care, and so on. It began with Franklin Roosevelt's New Deal and the development of Social Security to afford special protections for the elderly. But Lyndon Johnson's Great Society of the 1960s greatly accelerated government intervention by providing equalizing assistance to groups of people seen as needing that boost. The Great Society premise was LBJ's view that, as he stated in his 1965 Howard University commencement address, it wasn't enough to open the gates of opportunity, but you had to have a real chance to walk through them. This would require extra government assistance if you had been held down by poverty or racism, and his Great Society implemented many such programs, especially its War on Poverty and related job and education efforts. Critics questioned whether government should be discriminating in favor of certain groups, as well as whether government could actually accomplish any meaningful leveling of the playing field in this way.

The president who tacked back in the direction of the founders' understanding of equality of opportunity was Ronald Reagan. His view was that government not only should not, but it could not effectively, create equality of opportunity. He famously said that the government had declared war on poverty but that

poverty had won. Government was not, he said, the solution to the problem; “government is the problem.” Reagan’s understanding of what he called “the opportunity society” was to shrink government and its taxation so that it got out of the way of people’s individual freedom and choices, including the freedom to pursue their own opportunities. In particular, Reagan objected to government planners who ran programs trying to direct the choices and opportunities that individuals might make.

By and large, however, the policy debate since the time of Franklin Roosevelt has not been whether but how much government can and should help those needing special assistance. The welfare state has continued to grow. In the twenty-first century, however, the terms of the debate have shifted quite dramatically. With proposals that government must tackle income inequality, or even wealth inequality, the pendulum is shifting away from equality of opportunity to something else.

4. Piketty and the Demand for Redistribution

French economist Thomas Piketty is the harbinger of an even more sweeping view of equality in the twenty-first century. The new conception of equality concerns itself primarily with income and wealth, arguing that until those are addressed, there is no real equality in our society.

Piketty presents extensive data showing a dramatic rise in global wealth since the 1980s, due especially to inherited wealth and investment gains, unrelated to work or effort, which he calls “patrimonial capitalism.” Piketty argues that government’s normal fiscal and social tools would not be enough to address this new, sweeping inequality. Instead, he argues, there needs to be “a progressive global tax on capital,” not so much to “finance the social state but to regulate capitalism.” Piketty’s most recent book, *A Brief History of Equality* (2022), argues that the whole idea of human progress is to move toward greater equality.

Piketty seeks something well beyond equality of opportunity: he is pursuing nothing less than a complete reordering of the economic system. He is as much concerned with taking power and money from the wealthy as he is with creating greater opportunity for the poor, if not more. The levers he would push are power, justice, capitalism, and wealth, not mere opportunity. And there are

signs that some progressive politicians are paying attention. Senator Bernie Sanders, for example, has advocated a special tax “on the extreme wealth of the top 0.1 percent.” President Joe Biden has jumped on this bandwagon, proposing his own new tax on billionaires (based not just on income but also on wealth). These moves are short of Piketty’s call for an economic revolution, but they advance his core thinking about power, wealth, capitalism, and inequality.

5. Can Equality of Opportunity Be Saved?

One end of the spectrum is traditional equality of opportunity as envisioned and embraced by the founders. In this view, men and women are created equal and therefore have equal rights, especially political and legal rights. From that starting point, people are free to make their own choices on how, as the Declaration of Independence put it, to pursue happiness. Guaranteeing individual rights, so that people are free to choose, is the primary role of government in this traditional view of equality of opportunity. Paring back the role of government regulation in people’s lives, reducing taxes, and promoting individual freedom was President Reagan’s path back toward this more traditional view and many conservatives still advocate this today.

But liberals argue that the government must engage in programs to increase equality of opportunity for the poor and disadvantaged, and also for ethnic groups that have been left behind in society. Johnson’s Great Society sought to move the federal government strongly in this direction, but history suggests that it is very difficult for government to move the needles on opportunity and equality. Government keeps adding to the social safety net and building out the welfare state in the hope of creating greater equality. Do we need to add universal health care to the social and economic agenda? Should we pay off everyone’s college debt? Conservatives argue that this is not the proper role of government and such programs do not work, but the debate and policy implementation continue.

Now, several movements on the left have created a new end of the progressive spectrum; perhaps we could call it a super-progressive stance on equality or “the new, new left.”

6. Immigrants Keep the Dream Alive

Does America continue to be a land of opportunity? Interestingly, the strongest answer comes from immigrants, who overwhelmingly state that this American characteristic is why they have come to the United States. Two economists, Ran Abramitzky and Leah Boustan, recently pulled together what they call “the first truly big set of data about immigration” from census records, presenting them in their new book: *Streets of Gold: America’s Untold Story of Immigrant Success*. They found that second-generation immigrants, especially, found strong job and economic opportunities in the United States and, in fact, outperformed native-born Americans. As coauthor Abramitzky told the *New York Times*, “The American dream is just as alive now as it was a century ago.”

The huge demand from immigrants to come to America and find greater opportunity is strong evidence that opportunity still works and remains a key to the American dream. More evidence is offered by economic mobility. While studies have shown growth in economic inequality, other studies have shown that economic mobility—the ability to move from one quadrant of income to another—is still alive in America. Perhaps the most important factor in developing opportunity, and one that finds broad support in the middle ground, is education. This is where both liberals and conservatives agree and could work together effectively.

7. Progressing Toward Greater Equality

Equality of opportunity, rightly understood, is not really a set of government programs or policy prescriptions. Since we understand that complete equality is not possible, the proper understanding of equality of opportunity is as a point of departure and an aspiration, both a starting point and a goal toward which the society is always working. The key question, then, is not whether equality of opportunity is outdated as a goal but whether we are continuing to make progress toward it. Measuring and discussing progress is the key, not changing the finish line. This is especially so since, as it has been since the founding, the goal of equality in American terms must also be balanced with individual liberty.

There are reasons to be optimistic about the future of equality of opportunity. For one thing, the American people believe it describes the American dream—and describes it better than equality of outcome or other goals. For another, immigrants by the millions keep coming to America in search of opportunity; they see something here that perhaps long-settled Americans have lost. Then, too, young people keep looking for new frontiers and opportunities, finding new jobs, new careers, other parts of the country that support their dreams. There is cause for philosophical optimism in that some are deeply committed to equality, others to liberty and opportunity, but the combination—equality of opportunity—is still a middle ground upon which they can gather.

We should acknowledge, however, that there are also reasons for pessimism about the future of equality of opportunity. In this day of hyperpartisanship, those on the left could dig in ever deeper on equity, while those on the right advocate liberty and opportunity. Compromise has become a dirty word.

Whatever happened to equality of opportunity? It is alive and well, but it needs to be appreciated for what it is—a point of departure and an aspiration—not for what it is not, a set of policies or government programs. Government can and will contribute to the pursuit of the goal, but not to the exclusion of efforts by individuals, nonprofits, and the larger society.

David Davenport is a research fellow emeritus at the Hoover Institution specializing in constitutional federalism, civic education, modern American conservatism, and international law. During his career at Hoover, he also served in administrative capacities as counselor to the director and the inaugural director of Hoover's Washington, DC, program.